

§ 30-19.04. Legislative designation of associations, organizations, etc., exempt from taxation; resolution of local governing body required.

A. When any legislation involving the designation of property to be exempted from taxation pursuant to Article X, Section 6 (a) (6) of the Constitution of Virginia is referred to a committee of the General Assembly, the chairman of the committee shall require, prior to consideration by the committee of the legislation, a resolution adopted, in accordance with the requirements of subsection B, by the governing body of the county, city or town wherein such property is situated supporting or refusing to support such exemption or evidence that a formal and timely request has been made to the governing body of such county, city or town for the adoption of such resolution and the governing body thereof has failed to act on the request or otherwise refused to adopt such a resolution.

B. The resolution required by subsection A shall be adopted only after holding a public hearing with respect thereto, at which citizens shall have an opportunity to be heard. The local governing body shall publish notice of the hearing once in a newspaper of general circulation in the county, city or town where the real property is located. The notice shall include the assessed value of the real and tangible personal property owned by the organization requesting the exemption as well as the property taxes that either were paid or would have been paid in the most recent years. The public hearing shall not be held until at least five days after the notice is published in the newspaper. The local governing body may collect the cost of publication from the organization requesting the property tax exemption. Before adopting any such resolution the governing body shall consider the following questions:

1. Whether the organization is exempt from taxation pursuant to § 501 (c) of the Internal Revenue Code of 1954;
2. Whether a current annual alcoholic beverage license for serving alcoholic beverages has been issued by the Virginia Alcoholic Beverage Control Board to such organization, for use on such property;
3. Whether any director or officer of the organization is paid compensation in excess of a reasonable allowance for salaries or other compensation for personal services which such director or officer actually renders;
4. Whether any part of the net earnings of such organization inures to the benefit of any individual, and whether any significant portion of the service provided by such organization is generated by funds received from donations, contributions or local, state or federal grants. As used in this subsection, donations shall include the providing of personal services or the contribution of in kind or other material services;
5. Whether the organization provides services for the common good of the public;
6. Whether a substantial part of the activities of the organization involves carrying on propaganda, or otherwise attempting to influence legislation and whether the organization participates in, or intervenes in, any political campaign on behalf of any candidate for public office;
7. No rule, regulation, policy, or practice of the organization discriminates on the basis of religious conviction, race, color, sex or national origin;
8. The revenue impact to the locality and its taxpayers of exempting the property; and
9. Any other criteria, facts and circumstances which the governing body deems pertinent to the adoption

of such resolution.

C. Any resolution adopted pursuant to this section shall state therein that the provisions of subsection B have been examined and considered by the local governing body. If the county, city or town supports exemption, the resolution shall also include a recommendation to the General Assembly for a specific classification (religious, charitable, patriotic, historical, benevolent, cultural or public park and playground) and the assessed value and the property tax in the locality for the property owned by the organization requesting the exemption.

D. The enactment of any statute exempting an organization from taxation by designation as provided herein shall be conclusive proof that the provisions of this section have been satisfied.

(1980, c. 327; 1987, c. 338; 1988, c. 257; 1993, c. 649.)

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